GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1969
ANSWERED ON:14.03.2017
Pending Cases in Consumer Courts
Chavan Shri Ashok Shankarrao;Gaikwad Dr. Sunil Baliram;Gupta Shri Sudheer;Kirtikar Shri Gajanan Chandrakant;Mahato Shri Bidyut Baran;Radhakrishnan Shri T.;S.R. Shri Vijay Kumar;Singh Shri Kunwar Haribansh

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has released the latest data regarding pending cases in different consumer courts in the country and shared the same with the State Governments and if so, the details thereof, State and sector-wise;
(b) whether one in almost every five cases in consumer forums is related to the insurance sector and if so, the reasons therefor;
(c) whether the consumers come to know about the terms and conditions of insurance only when they apply for compensation and if so, the corrective measures taken by the Government in this regard;
(d) whether the Government has put in place any monitoring mechanism to ensure smooth functioning of the consumer courts and if so, the details in this regard including the steps taken/being taken by the Government to reduce cost of litigation; and
(e) the steps taken/being taken by the Government to clear all the cases in a time bound manner?

Answer

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) & (b) : The data regarding pending cases in different consumer Fora are available in the CONFONET website (www.confonet.nic.in). A statement of pending cases in the National Consumer Disputes redressal Commission, State Commissions and all District Fora for the year 2016 is at Annexure-I. As per information available, in 2016, of the 120189 pending, 27313 cases related to insurance sector.

(c) : As informed by the Department of Financial Services, consumers come to know about the terms and conditions of the insurance at the time of purchasing the insurance. When the proposal results into a policy contract, they are provided with policy documents which contain the terms and conditions of the insurance.

Further, IRDA (Protection of Policyholders' interest) Regulations, 2002, stipulate the procedure to be followed by Insurers at the point of sale and proposal stage, disclosures to be made in life insurance and general insurance policy document, claim procedure in respect of life insurance and general insurance policy and servicing of policies. Before approving a product, IRDAI ensures that the policy terms and conditions make the above disclosures in the policy contract. The regulations also provide for the insured of a Life Insurance Policy to exercise Free Look Cancellation option, within 15 days of the receipt of the policy document.

(d) & (e) : As per the provisions of the Consumer Protection Act, 1986, the State Governments are to establish the State Consumer Disputes Redressal Commissions and District Forum in the state and consequently it is the responsibility of the State Governments to provide physical infrastructure and manpower for their smooth functioning. To supplement the efforts of the State Governments, the Central Government has been providing financial assistance to the State Governments for building and non-building infrastructure of the Consumer Fora besides computer hardware, software and technical manpower to the Consumer Fora in the states under the CONFONET scheme.

As per the provisions of the Consumer Protection Act, 1986, the National Consumer Disputes Redressal Commission has the administrative control over the State Commissions with regard to calling for periodical return regarding institution, disposal and pendency of cases, issuance of instructions regarding adoption of uniform procedure in the hearing of matters etc, and generally overseeing the functioning of the State Commissions or the District Fora to ensure that the objects and purposes of the Act are best served without in any way interfering with their quasi-judicial freedom.
During annual conferences with State Governments and the State Commissions, the Central Government has been impressing upon reducing the pendency of the cases.

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